

WARREN COUNTY BOARD OF SUPERVISORS

COMMITTEE: OCCUPANCY TAX COORDINATION

DATE: SEPTEMBER 30, 2010

COMMITTEE MEMBERS PRESENT:

SUPERVISORS KENNY
MERLINO
BENTLEY
GOODSPEED
MCCOY
CONOVER

COMMITTEE MEMBER ABSENT:

SUPERVISOR CHAMPAGNE

OTHERS PRESENT:

FRANK O'KEEFE, COUNTY TREASURER

REPRESENTING THE TOURISM DEPARTMENT:

KATE JOHNSON, DIRECTOR
LEISA GRANT, PRINCIPAL ACCOUNT CLERK
TANYA BRAND, GROUP TOUR PROMOTER
PAUL DUSEK, COUNTY ATTORNEY/ADMINISTRATOR
JOAN SADY, CLERK OF THE BOARD

SUPERVISORS TAYLOR

STRAINER

THOMAS

GIRARD

MCDEVITT

JACK DIAMOND, MAYOR, CITY OF GLENS FALLS

EDWARD BARTHOLOMEW, CITY OF GLENS FALLS COMMUNITY DEVELOPMENT

ALICE GRETHER, CITY OF GLENS FALLS TOURISM

DAN HALL, GLENS FALLS COMMON COUNCIL

BENNETT DRISCOLL, GLENS FALLS COMMON COUNCIL

DON LEHMAN, *THE POST STAR*

THOM RANDALL, *ADIRONDACK JOURNAL*

JOANNE COLLINS, LEGISLATIVE OFFICE SPECIALIST

Mr. Kenny called the meeting of the Occupancy Tax Coordination Committee to order at 9:59 a.m.

Motion was made by Mr. Conover, seconded by Mr. Bentley and carried unanimously to approve the minutes of the previous Committee meeting, subject to correction by the Clerk of the Board.

Copies of the agenda were distributed to the Committee members; *a copy of same is on file with the minutes.*

Commencing with Agenda Item IV B, Mr. Kenny apprised that Warren County had recently concluded a four year agreement with the City of Glens Falls for annual payments in the amount of \$50,000 per year for the Glens Falls Civic Center (GFCC) seats, and a three year continuation of that agreement was being requested today for the purchase of video screens. He noted that the funds would be allocated from the Warren County Tourism budget.

Privilege of the floor was extended to Jack Diamond, Mayor of the City of Glens Falls, who thanked the Supervisors for their ongoing support of the GFCC. He reported that over 109 events were hosted in 2009 with the intent to increase same. He further reported that over 182,000 people attended the GFCC in 2009 which yielded a gross revenue of over \$4 million, of which \$200,000 was sales tax revenue.

Mayor Diamond apprised that the GFCC had not offered a video experience and that video boards or screens would be an essential component for maintaining the GFCC as a competitive venue to recruit large franchises. Within the American Hockey League (AHL), he said, the GFCC was only one of three arenas without video screens. The screens, Mayor Diamond continued, would also present the opportunity for Warren County to promote the region.

With regard to the hockey season, Mayor Diamond stated that 40 games were hosted per year which employed 100 building staff, approximately 20 staff from the team, and approximately 100 Global Spectrum staff which came from a regional base centered in Warren and Washington Counties. With regard to occupancy tax revenue, Mayor Diamond noted that 26 of the 40 home games included the attendance of booster clubs and fan bases which patronized local hotels, as well as restaurants. Furthermore, he said, the GFCC was not limited to hockey and was home to many other performances, such as Alan Jackson in concert, whose crew utilized accommodations in Lake George.

Mayor Diamond apprised of the Adirondack Youth Hockey North Star Annual Tournament held annually in February brought 40 teams to the region, for which 400 to 600 patrons stayed in the region for the weekend to attend the skills competition held on Saturday night with approximately 1,100 attendees.

In an effort to diversify the offerings at the GFCC, Mayor Diamond stated that 2010 events had included World Team Tennis, Alan Jackson in concert, volleyball and cheerleading competitions. He said some future hopefuls included a Disney Magic Show and a Brigham Young University (BYU) basketball game. Glens Falls, according to Mayor Diamond, had been a hockey based community for many years and it was necessary to position the GFCC for the future with the addition of the video experience.

Privilege of the floor was extended to Dan Hall, Glens Falls Common Council, who recognized the Warren County Supervisors as supporters of the basketball tournaments. Mr. Hall expounded the value of the video screen to remain competitive and attract tournaments and events. A competitive proposal (bid) process was used for Federation events, he noted, and some of the major competitors were BYU, and the State University of New York at Albany and Long Island. With the assistance of the County approximately fifteen years ago, he recounted, they were able to replace inadequate backboards for the sum of \$15,000. Mr. Hall added that the addition of video screens would also attract more volleyball events, which were very competitive in terms of venues.

Pertaining to the future of State Basketball Championships, Mr. Hall informed that an effort had been launched to regionalize the event into one area and he felt that the effort to attract volleyball and basketball tournaments would gain recognizable momentum with the addition of the screens. He declared that the proposal presentation relative to Federation Tournaments would be significantly impacted by the upgrades. Mr. Hall thanked the Committee for their time and consideration.

Mayor Diamond detailed that the request was for the purchase of two 12' x 16' video screens to be centrally and strategically located with no blind spots in the arena. The package, he said, would include ongoing training and Global Spectrum would provide the necessary capital. He further stated that full consideration was also given to lease agreements and it was determined that a purchase was the best option. He said the current arrangement with the American Hockey League (AHL) included three one-year options, and he was confident that a three-year commitment could be obtained. He asserted that if the City and region were serious about retaining the AHL, building improvements would be necessary and noted that Glens Falls was the smallest region in the AHL. In conclusion, Mayor Diamond stated that a proactive approach was made by the City of Glens Falls to enhance the experience for sporting events to increase and ensure return visits. In terms of economic development, Mayor Diamond expounded that many local businesses depended on the continued success of the GFCC and he appealed to the Committee to consider the request as presented.

Mr. Bentley inquired if plans were underway for acoustic upgrades and Mayor Diamond stated that the Glens Falls Foundation had begun a fund-raising effort; however, he said, the necessary funding was not yet available and although acoustical upgrades were needed, the video screens were deemed a higher priority at this time.

As a benefit to Warren County, Mayor Diamond informed that the County would have access to advertising opportunities on the marquis in addition to the video screens. Responding to a request from Mr. Strainer, Mayor Diamond stated that the two screens would cost between \$250,000 and \$400,000 over a five year payment period.

A discussion ensued.

Mayor Diamond apprised that ticket sales were strong and Glens Falls was tenth in the AHL overall. He asserted that it was important to demonstrate to the AHL that the building was unique and viable. Mr. Taylor stated on behalf of those who had served on the Common Council, that it was not an easy task to bring a team to this venue. He stated his support for the purchase of the video screens and felt they would impact the ability of the GFCC to remain competitive. Mr. Taylor thanked Mr. Hall for his efforts to keep basketball events in Glens Falls. Mr. Diamond noted that there may be an opportunity to lease the screens for the upcoming BYU game. Regarding marketing opportunities, Mr. Girard asked the opinion of Kate Johnson, Director of Tourism. Ms. Johnson stated that the Warren County logo would be present on the screens and commercials could be adapted for same. She further stated that Global Spectrum would coordinate and solicit advertising and the Tourism Department would provide footage material. She expressed enthusiasm for the potential creative advertising strategies that could be developed to highlight upcoming events in the region.

Mayor Diamond explained that the County and its municipalities would not incur any charges for advertising. Mr. McDevitt expressed that the GFCC venue impacted quality of life in the region and noted the significance of a team, such as BYU coming to the local community. From his experience on the Glens Falls Common Council, Mr. McDevitt stated that the City had consistently taken a proactive and cooperative approach to ensure that the region thrived in terms of economic development. Mr. Merlino applauded the City of Glens Falls for the improvements made over the last five years. He expressed his concern that several requests for Occupancy Tax had been received, and noted the limited funds available for small Towns, such as Lake Luzerne.

Motion was made by Mr. Goodspeed and seconded by Mr. Bentley to approve the request to enter into a contract with the City of Glens Falls, in the amount of \$50,000 per year, for a term of three years, to offset the cost of two video screens at the GFCC.

Mr. Conover recommended that public advertising rules be included in the contract and Mayor Diamond concurred. Mr. Goodspeed expressed his agreement that specifications be built into the contract to ensure that the Towns all received a fair portion of advertising time. Mr. Goodspeed underscored the momentum seen by the City of Glens Falls which, he opined, was a key factor for growth and development.

Mr. Kenny called the question and the motion was carried unanimously to approve the request to enter into a contract with the City of Glens Falls, in the amount of \$50,000 per year, for three years, for two video screens and related equipment for the Glens Falls Civic Center, commencing January 1, 2011 and terminating December 31, 2013, with the stipulation that advertising opportunities be available to Warren County and the municipalities, on the video screens and marquis, and the necessary resolution was authorized for the October 15, 2010 Board meeting. *A copy of the resolution request form is on file with the minutes.*

Addressing the agenda item pertaining to disbursement requests, Mr. Merlino noted that the item had been addressed with regard to improved guidelines for the Towns in terms of Occupancy Tax funds. Mr. Kenny acknowledged that small Towns like Lake Luzerne, as well as the City of Glens Falls, had not generated significant occupancy tax revenue and every request was scrutinized to the greatest extent possible.

Privilege of the floor was extended to Frank O'Keefe, County Treasurer, who presented the Treasurer's Report. He stated that \$2,437,474 had been collected through September 30, 2010 which reflected an 11% increase over 2009, or a total increase of \$241,780. The figures, he said, were still down compared to 2008 by approximately \$170,000 with several items outstanding. He reported that \$20,589,089 in occupancy tax had been collected since 2004.

Mr. Kenny stated that a meeting was held with Paul Dusek, County Attorney/Administrator, Mr. Merlino, Ms. Johnson and the Lake George Regional Chamber of Commerce to review the contract for the Special Events Coordinator position held by Michael Consuelo which would terminate in December. He stated that duplication of services and special events reporting strategies had also been discussed and revised. In the future, he said, Mr. Consuelo would provide bi-weekly reports which would include details specific to Warren County and would exclude his itinerary and efforts outside the region. Ms. Johnson added that the report would focus on special events in the region. As a result of the adjustment, Mr. Merlino stated, the County could more effectively evaluate results.

Motion was made by Mr. Merlino, seconded by Mr. Conover and carried unanimously to approve the request to extend the agreement with the Lake George Regional Chamber of Commerce, for the Sales/Special Events Coordinator for Warren County with some modifications, commencing January 1, 2011 and terminating December 31, 2011, for a total amount not to exceed \$50,000.

Mr. Conover reported that a New York State ski facilities group held a meeting in the Town of Bolton last weekend and the session was extended from two to four days. The shoulder season event, he said, showed promise for a return booking next year and he referenced a thank you letter sent on behalf of the group.

As there was no further business to come before the Committee, on motion made by Mr. Goodspeed and seconded by Mr. Bentley, Mr. Kenny adjourned the meeting at 10:46 a.m.

Respectfully submitted,
Joanne Collins, Legislative Office Specialist